

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE STONE CREEK METROPOLITAN DISTRICT (THE “DISTRICT”) HELD FEBRUARY 26, 2020

A Regular Meeting of the Board of Directors of the Stone Creek Metropolitan District (referred to hereafter as the “Board”) was convened on Wednesday, the 26th day of February, 2020, at 11:00 a.m., at the Stone Creek Ranch Offices (Barn); 5989 Interlocken Street, Parker, CO. The meeting was open to the public.

Directors In Attendance Were:

Patrick L. Lyng
Peter J. Klymkow
Eric Kubly
Mauricio Barbera

Also In Attendance Was:

Peggy Ripko and Elizabeth Wagoner; Special District Management Services, Inc. (“SDMS”)

Elisabeth Cortese, Esq.; McGeady Becher P.C.

Gigi Pangindian; CliftonLarsonAllen LLP (“CLA”)

**DISCLOSURE OF
POTENTIAL
CONFLICTS OF
INTEREST**

The Board noted that disclosures of potential conflict of interest statements for each of the Directors were filed with the Secretary of State seventy-two hours in advance of the meeting. Attorney Cortese requested that the Directors consider whether they had any additional conflicts of interest to disclose. Attorney Cortese noted for the record that there were no new disclosures made by the Directors present at the meeting and incorporated for the record those applicable disclosures made by the Board Members prior to this meeting and in accordance with the statutes.

**ADMINISTRATIVE
MATTERS**

Agenda: Ms. Ripko distributed for the Board’s review and approval a proposed Agenda for the District’s Regular Meeting.

Following discussion, upon motion duly made by Director Klymkow, seconded by Director Lyng and, upon vote, unanimously carried, the Agenda for the District’s Regular meeting was approved, as presented.

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Approval of Meeting Location: The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting.

Following discussion, upon motion duly made by Director Klymkow, seconded by Director Lyng and, upon vote unanimously carried, the Board determined that the meeting location was in accordance with statute, as it was conducted at a location within the same county as the District. The Board further noted that notice of this location was duly posted and that they have not received any objections to the location or any requests that the meeting place be changed by taxpaying electors within its boundaries.

Designation of 24-hour Posting Location: Following discussion, upon motion duly made by Director Klymkow, seconded by Director Lyng and, upon vote, unanimously carried, the Board determined that notices of meetings of the District Board required pursuant to Section 24-6-402(2)(c), C.R.S., shall be posted within the boundaries of the District at least 24 hours prior to each meeting at the following location: At the Stone Creek Ranch Offices (Barn), 5989 Interlocken Street, Parker, CO.

Minutes: The Board reviewed the Minutes of the October 23, 2019 Special Meeting.

Following discussion, upon motion duly made by Director Klymkow, seconded by Director Lyng and, upon vote unanimously carried, the Board approved the Minutes of the October 23, 2019 Special Meeting.

Resignation and Appointment of Secretary: The Board acknowledged the resignation of Lisa Johnson as Secretary to the Board of Directors and considered the appointment of Peggy Ripko as Secretary to the Board.

Following discussion, upon motion duly made by Director Lyng, seconded by Director Barbera and, upon vote, unanimously carried, the Board approved the appointment Peggy Ripko as Secretary to the Board.

Resignation of Director: The Board acknowledged the Resignation of Shawnee Williams from the Board of Directors, effective February 18, 2020.

FINANCIAL MATTERS

Claims: The Board considered ratifying the approval of the payment of claims from October 24, 2019 through February 19, 2020 in the amount of \$29,690.24.

Following discussion, upon motion duly made by Director Klymkow, seconded by Director Barbera and, upon vote, unanimously carried, the Board ratified approval of the payment of claims from October 24, 2019 through February 19, 2020 in the amount of \$29,690.24.

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Claims: The Board considered approval of the payment of claims for the period ending February 18, 2020 as follows:

General Fund	\$	10,294.35
Debt Service Fund	\$	-0-
Capital Projects Fund	\$	6,621.01
Special Revenue Fund	\$	<u>3,085.00</u>
Total	\$	20,000.36

Following discussion, upon motion duly made by Director Klymkow, seconded by Director Barbera and, upon vote, unanimously carried, the Board approved the payment of claims for the period ending February 18, 2020. It was noted that a \$13,000.00 advance is needed in order to fund payment of these claims.

Unaudited Financial Statements: Ms. Pangindian presented the unaudited financial statements for the period ending December 31, 2019, schedule of cash position for the period ending December 31, 2019, updated on February 18, 2020 and Developer Advances dated December 31, 2019, updated February 26, 2020.

Following review and discussion, upon motion duly made by Director Lyng, seconded by Director Klymkow and, upon vote, unanimously carried, the Board accepted the unaudited financial statements for the period ending December 31, 2019, schedule of cash position for the period ending December 31, 2019, updated on February 18, 2020 and Developer Advances dated December 31, 2019, updated February 26, 2020.

Fifth Amendment to the Operation Funding Agreement (“OFA”) by and between the District and Choke Cherry Investors, LLC: The Board discussed the Fifth Amendment to the OFA by and between the District and Choke Cherry Investors, LLC. It was noted that the Board had been awaiting approval from the developer, which approval has been granted.

CAPITAL IMPROVEMENTS

Project Status Report: There was no report available at this time for discussion.

EXPENDITURE VERIFICATION/ COST CERTIFICATION

Expenditure Verification Report No. 11 prepared by IDES Certifying District Eligible Expenditures: The Board deferred discussion of Expenditure Verification Report No. 11 prepared by IDES Certifying District Eligible Expenditures.

Pay Application Nos. 18 , 19, and 20 under the Hudick Excavating, Inc. (“HEI”) Contract: The Board reviewed Pay Application Nos. 18, 19, and 20 under the HEI Contract.

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Following review and discussion, upon motion duly made by Director Barbera, seconded by Director Klymkow and, upon vote, unanimously carried, the Board ratified acceptance of Pay Application Nos. 18, 19, and 20 under the HEI Contract.

LEGAL MATTERS

Clubhouse Funding, Construction, and Operations Agreement by and among the District, Choke Cherry Investors, LLC, Cielo Metropolitan District and Forestar (USA) Real Estate Group Inc. ("Forestar")("Clubhouse Agreement"): The Board reviewed the Clubhouse Agreement.

Following review and discussion, upon motion duly made by Director Barbera, seconded by Director Klymkow and, upon vote, unanimously carried, the Board ratified approval of the Clubhouse Agreement.

Clubhouse Rules and Regulations related to District Facilities: The Board discussed the Clubhouse Rules and Regulations.

Following discussion, upon motion duly made by Director Klymkow, seconded by Director Lyng and, upon vote, unanimously carried, the Board approved the Clubhouse Rules and Regulations related to District Facilities.

McGeady Becher P.C. Document Retention Policy: Attorney Cortese presented to the Board an update to the McGeady Becher P.C. Records Retention Policy.

Following discussion, the Board acknowledged the update and directed a copy of the approved McGeady Becher P.C. Records Retention Policy be attached to the minutes. Accordingly, a copy of the update McGeady Becher P.C. Records Retention Policy is attached hereto and incorporated herein by reference.

COVENANT ENFORCEMENT/ DESIGN REVIEW

Community Services: Ms. Ripko provided a brief update as to how covenant enforcement will be conducted and how pool keycards will be distributed.

OTHER BUSINESS

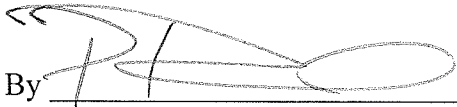
There was no other business before the Board at this time.

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ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made by Director Lyng, seconded by Director Kubly and, upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

By 
Secretary for the Meeting